Permit: USACE Permit No. 200610338

FINAL ADMINISTRATIVE PENALTY ORDER

Under the authority granted by 33 U.S.C. § 1319(g) and 33 CFR Part 326.6, I, Colonel John E. Pulliam, Jr., District Engineer, Wilmington District, issue this order assessing a Class 1 Administrative Penalty for violation of the above-referenced permit.

Name/Address of Permittee:

Corolla Bay, LLC C/O Mr. Eric Avery

Corolla, North Carolina 27927

Permitted Activity:

The discharge of earthen fill material within Department of the Army (DA) jurisdictional wetlands to facilitate the development of a residential subdivision at the Corolla Bay Development, located off N.C. Highway 12, adjacent to the Currituck Sound, in Corolla, Currituck County, North Carolina, consistent with the application and plans for USACE Permit No. 200610338.

Condition(s) or Limitation(s) of Permit Reportedly Violated:

Corolla Bay, LLC, failed to comply with special condition (a) of the subject permit, which states that, "All work authorized by this permit must be performed in strict compliance with the submitted plans, which are a part of this permit."

Description of the Nature of the Violation(s):

Corolla Bay, LLC, began construction of the residential subdivision without complying with this permit condition. Corolla Bay, LLC, discharged fill material into 0.42 acre of high-quality DA jurisdictional wetlands outside of the authorized fill area.

It is my decision that a Class 1 Administrative Penalty in the amount of \$11,000 shall be assessed against the permittee. Permittee will pay the penalty by check, payable to FAO, USAED Wilmington, and delivered to the Office of Counsel, U.S. Army Engineer District, P.O. Box 1890, Wilmington, North Carolina, 28402, within 30 days from the effective date of this letter.

The issuance of this Order constitutes final U.S. Army Corps of Engineers action in this case for purposes of judicial review.

This order will become effective 30 calendar days following its issuance unless an appeal is taken pursuant to 33 U.S.C. § 1319(g)(8) or a hearing is granted. Since no hearing was held prior to the issuance of this Order, a prior commenter may file a petition for a hearing within the 30-day period.

Issued this 7th day of March 2007.

ohn E. Pulliam,

Colonel, U.S. Army

District Commander